

FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

July 15, 2005

Christopher J. Ward, Treasurer National Republican Congressional Committee 320 First Street Washington, DC 20003

Response Due Date: August 15, 2005

Identification Number: C00075820

Reference:

Amended April Monthly Report (3/01/05-3/31/05), received 6/18/05

Dear Mr. Ward:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. An adequate response must be received at the Commission by the response date noted above. An itemization of the information needed follows:

-The totals listed on Lines 11(a)(i) and 11(a)(ii), Column B of the Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

-Schedule A of your report discloses aggregate year-to-date totals for contributions received from individuals which appear to be incorrect. Please be advised that federal regulations require aggregate year-to-date totals to include only those contributions which are received during the calendar year. In the event that the aggregate year-to-date total is correct, please note that federal regulations also require the disclosure of all contributions received from individuals who have contributed over \$200. 11 CFR §104.3(a)(4) Please amend your report to provide the correct aggregate year-to-date totals.

-Schedule A of your report discloses contributions from political committees that fail to include a full and/or recognizable name. Reporting (1)

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only the name of the connected organization, abbreviating the name of the committee so it is unrecognizable, or using an indistinguishable acronym is inadequate. The following committee names from your report need further clarification: "Soft Drink P. A. C." and "Quinn For Congress."

Please amend your report to include the missing information. 11 CFR §§100.12, 102.14(c) and 104.3(a)(4)(ii)

-Schedule A supporting Line(s) 11(c) and 15 of your report discloses a receipt(s) from "Bill Thomas Campaign Committee," "John T. Doolittle For Congress," "Friends Of Jennifer B. Dunn," "Weldon Victory Committee," "Gibbons For Congress," "Kay Granger Campaign Fund," "Tom Osborne For U. S. Congress," "Kirk For Congress, Inc.," "Garrett For Congress 2004," "WALDEN FOR CONGRESS COMMITTEE," "JOE WILSON FOR CONGRESS," "REHBERG FOR CONGRESS," and "LEWIS FOR CONGRESS COMM" which requires further clarification. For example, if this activity represents a transfer of funds, please indicate "transfer" on Schedule A supporting Line 11(c) of your report. If this activity represents a reimbursement for services provided to this committee, please indicate this on Schedule A supporting Line 15 of your report. Please amend your report to clarify the type of activity this receipt(s) represents.

-Schedule A supporting Line 15 of your report discloses an offset to an operating expenditure(s) totaling \$3,463.67 from "POTOMAC LIST COMPANY INC.," "STEPTOE & JOHNSON LP," "UNITED PARCEL SERVICE," "US POST OFFICE MINNEAPOLIS," and "WYATT B. SMITH"; however, your report(s) does not appear to disclose a disbursement to this entity. Please provide clarifying information regarding this activity and amend your report(s) if necessary.

-Schedule A of your report discloses receipt of an in-kind contribution from "The Wine Institute P.A.C." without a corresponding disbursement on Schedule B. Please be advised that the value of an in-kind contribution must be added to the operating expenditures total on Line 21(b) in order to avoid inflating the cash-on-hand amount. 11 CFR §104.13(a)(2). If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. Please amend your report to clarify this discrepancy.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B supporting Line(s) 21(b) of your report to clarify the following description(s): "Adjunct Staff" and "Non-Candidate Production." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Please clarify all expenditures made for "Catering Costs," "Phone Banks," "Postage," and "Printing" on Schedule B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B or E supporting Lines 23 or 24 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Your 2005 February, March, and April Monthly Reports combined disclose limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule(s) B supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §8441a and 441b.

Clarification regarding administrative expenses should be disclosed <u>during</u> <u>each two-year election cycle</u> beginning with the first report filed in the non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If volunteers have provided these services, please confirm this in writing.

- -Please identify the name and address of the payee for the in-kind contribution(s) disclosed on Schedule B for Line 23.
- -You have received contributions from numerous entities, which appear to be unincorporated proprietorships or partnerships. Generally, these types

of contributions are to be attributed to each person based on their percentage of ownership in the firm. Each person who has contributed in excess of \$200 since January 1 should be identified by name, address, occupation, name of employer, amount of contribution, and aggregate total on Schedule A. 11 CFR §110.1(e) Please amend your report by providing the omitted information.

-Your report disclosed certain categories of financial activity that have been reflected on the wrong lines of the Detailed Summary Page. In-kind contributions from federally registered political committees should be properly disclosed on a separate Schedule(s) A, supporting Line(s) 11(c) of the Detailed Summary Page. In-kind contributions to federal candidates should be properly disclosed on a separate Schedule(s) B, supporting Line(s) 23 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

Unlike previous election cycles, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. Requests for extensions of time in which to respond will not be considered. Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

Sincerely,

Jennifer Thanga telu Campaign Finance Analyst

Reports Analysis Division